

MISO INTEGRATION
TECHNICAL CONFERENCE
NOVEMBER 14, 2014





FUEL ADJUSTMENT CLAUSE (“FAC”) COMPARISON OF RATES

Agenda Item #1

JANUARY – SEPTEMBER

<u>2013</u>	<u>2014</u>	<u>Variance</u>
\$0.03425	\$0.03519	\$0.00094

Cleco Power’s average FAC rate for the period January through September 2014 (post-MISO) was approximately one mil higher than the average FAC rate for the same period in 2013 (pre-MISO).



RECOVERY OF MISO RELATED COSTS

Agenda Item #3

Fees related to market settlement system control and dispatch, administration, transmission settlement administration and letter of credit fees were recovered through Cleco's FAC until approval of the FRP extension in June 2014.

	<u>AMOUNT (millions)</u>	
<u>Recovery Period</u>	<u>FAC</u>	<u>FRP</u>
Jan - Jun 2014	\$1.8	
Jul - Oct 2014		\$1.1



RECOVERY OF INTEGRATION AND IMPLEMENTATION COSTS

Agenda Item #4

Cleco began recovering the retail jurisdictional portion of MISO integration and implementation costs in Rider FRP in July 2014 following approval of the FRP extension.

Recovery Period
Jul – Oct 2014

Amount (millions)
\$0.3



INTEGRATION STATUS REPORTS AND MONITORING REPORTS

Agenda Item #5

Cleco's integration report is due on its one-year anniversary with MISO (December 19, 2014). Thereafter, Cleco will file quarterly monitoring reports with Staff. Each report will cover a fiscal quarter and is due the last day of the month following the end of the fiscal quarter.



BIDDING PRINCIPLES, PRACTICES AND PROTOCOLS

Agenda Item #6

When appropriate, Cleco self-schedules certain units. All other units that are not in an outage are offered into the market.



POST-INTEGRATION GAS SUPPLY ISSUES

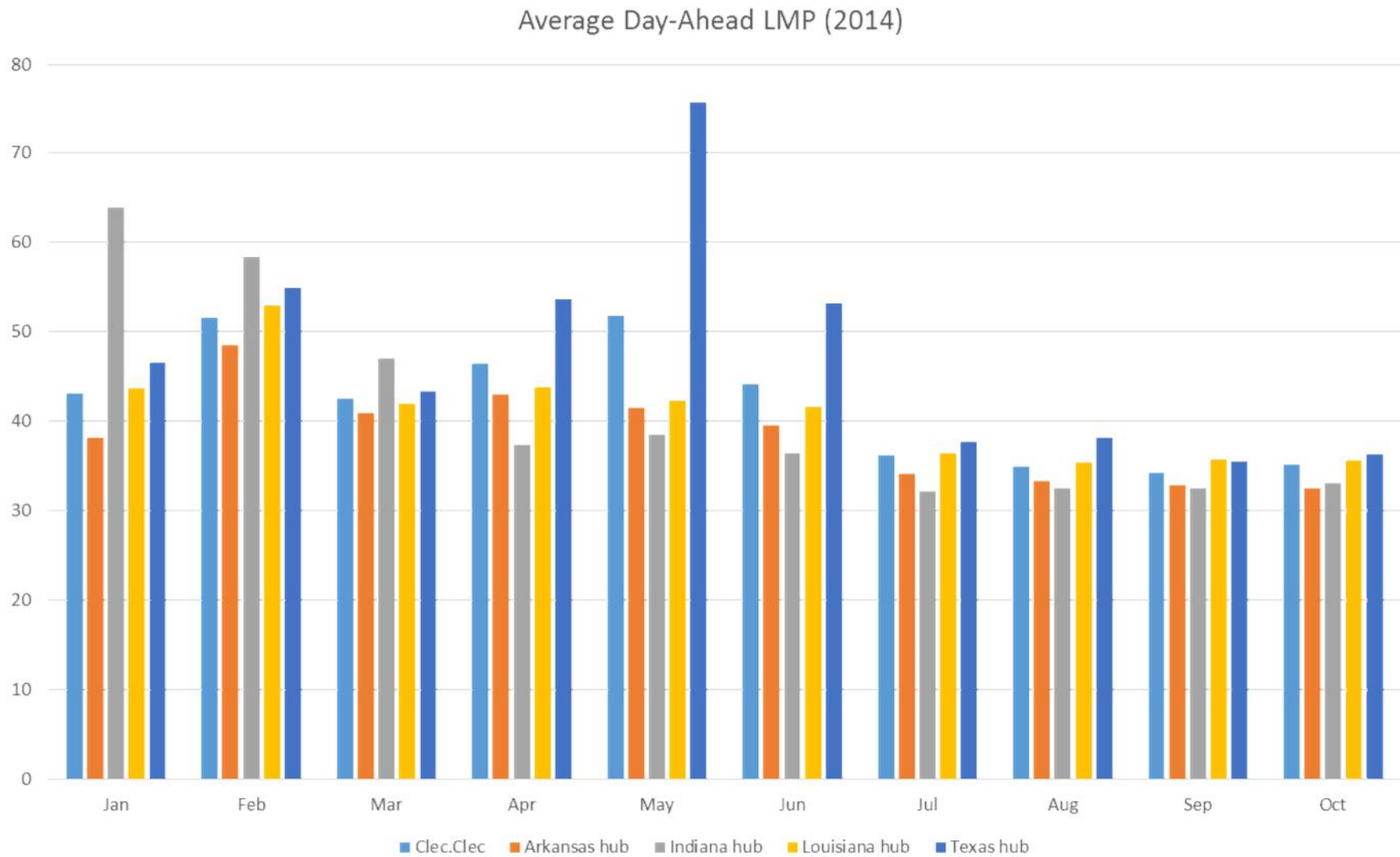
Agenda Item #7

Cleco has not experienced post-integration gas supply issues.



LMP PRICE COMPARISON

Agenda Item #8





RETAIL RATE IMPACTS

Agenda Items #9 & #15

**Comparison of Cleco's system heat rate
for January – October using the average
daily Henry Hub price:**

2013: 8.57

2014: 7.60

**This is mainly due to Cleco's legacy units
not dispatching as frequently to cover
Cleco's load and ancillary service needs.**



COUNTERFLOW ARR ASSIGNMENTS

Agenda Item #10

At this time, Cleco has de minimus counterflow ARR assignments.



FUTURE TRANSMISSION PROJECTS

Agenda Item #13

Cleco received siting approval for the Layfield/Messick project in North Louisiana.

Cleco also recently announced the Central Louisiana Transmission Expansion project.



QUALIFIED FACILITIES (“QF”) ISSUES

Agenda Item #16

Cleco currently has 2 QF customers that are compensated for excess generation at avoided cost, which the parties agree will be LMP.

QF puts for the two customers for 2014 through September were approximately 5,542 MWHs or 56% higher compared to the same period in 2013.



ANTICIPATED COAL PLANT RETIREMENTS

Agenda Item #17

At this time, Cleco does not anticipate retiring any of its coal plants.